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**FISCAL IMPACT STATEMENT**

**LS 6217**

**BILL NUMBER: SB 76**

**NOTE PREPARED: Dec 2, 2008**

**BILL AMENDED:**

**SUBJECT:** Solid waste management district funding sources.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL**  
                                 **DEDICATED**  
                                 **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** For a calendar year after 2009, this bill allows a solid waste management district to impose property taxes and district solid waste management fees only if the district board holds a public hearing in the immediately preceding calendar year and then approves the taxes and fees by a majority vote of all members of the board. It requires consolidation of public hearings if imposition of both property taxes and fees is proposed.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Current law authorizes a county to either designate itself as a solid waste management district or to establish one with other counties. The district board must obtain approval from each county within the district if the proposed property tax levy would increase by 5 percent or more. This proposal stipulates that for taxes payable in 2010 and after, a solid waste management district can impose a property tax levy and/or fees only after holding a public hearing, followed by approval by a majority vote of all the members of the board. If the board intends to levy both property taxes and fees, then it may hold a single hearing to discuss both issues.

In 2008 there were approximately 77 solid waste management districts that either levied property taxes or had an appropriation. Of these, 6 districts decreased their property tax levy from 2007, 34 had no increase

in their levy, 30 had an increase of less than 5 percent, and 7 had an increase of over 5 percent.

This bill would potentially give taxpayers, board members, and county officials more control over the district's budget. Under current law, only increases in the property tax levy of 5 percent or more are subjected to any form of review, and that at the county level. Under this proposal, however, the public must be allowed to comment on any proposed increase. As a result, this bill would have affected the 37 districts that increased their property tax levy in 2008. In particular, the property tax increase in 30 districts that would not be reviewed under current law would be subjected to review under this bill. Its impact in these districts would have occurred if these increases were disapproved after a public hearing, or not even considered because of anticipated public opposition.

**State Agencies Affected:**

**Local Agencies Affected:** Solid Waste Management Districts

**Information Sources:** Local Government Database.

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